

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

Bky No. 04-40653

In re:

Thomas R. Morin,

Debtor.

**NOTICE OF HEARING AND MOTION
OBJECTING TO CLAIMED EXEMPTION**

TO: The Debtor and other entities specified in Local Rule 9013-3.

1. Randall L. Seaver, the duly appointed Chapter 7 trustee herein ("Trustee") moves the Court for the relief requested below and gives notice of hearing.

2. The Court will hold a hearing on this motion at 10:30 a.m. on September 29, 2004, in Courtroom 7 West, U.S. Bankruptcy Court, 300 South Fourth Street, Minneapolis, MN 55415.

3. Any response to this motion must be filed and delivered not later than September 22, 2004 which is seven days before the time set for the hearing or filed and served by mail not later than September 17, 2004 which is 10 days before the time set for the hearing. **UNLESS A RESPONSE OPPOSING THE MOTION IS TIMELY FILED, THE COURT MAY GRANT THE MOTION WITHOUT A HEARING.**

4. This Court has jurisdiction over this motion pursuant to 28 U.S.C. §§ 157 and 1334, Bankruptcy Rule 5005 and Local Rule 1070-1. This proceeding is a core proceeding. This Chapter 7 case was commenced on February 11, 2004. The first meeting of creditors was originally scheduled for March 16, 2004. because the Trustee discovered that the Debtor had concealed a bonus which he received from his employer on the day of filed bankruptcy, in the amount of \$11,221.29 ("Concealed Asset"). The Trustee conducted Rule 2004 discovery

regarding that asset. The Trustee then commenced litigation against the Debtor to recover the concealed asset. The Debtor's attorney requested an extension to put in an answer to the Complaint which the Trustee agreed to. The Debtor has filed an Amended Schedule C seeking to claim as exempt the Concealed Asset. The case is now pending in this Court.

5. This motion arises under 11 U.S.C. §522, Bankruptcy Rule 4003 and Local Rule 4003-1(a). This motion is filed under Bankruptcy Rule 9014 and Local Rules 9013-1 and 9013-2.

6. Attached hereto as Exhibit A is a true and correct copy of Debtor's Amended Schedule C which was filed on August 11, 2004.

7. Objection is made to the Debtor's claimed exemption of "Bonus from employer \$11,221.00 less \$3,366.38 due to ex-spouse pursuant to divorce decree." Objection is made because the Concealed Asset was concealed from the Trustee by the Debtor in his schedules and at the §341 meeting of creditors. Neither the Debtor nor his attorney advised the Trustee at the meeting of creditors of the existence of the Concealed Asset, even though the Debtor had received the bonus the day he filed bankruptcy. The existence of this concealed asset was discovered only through the Trustee's investigation. The Trustee was then forced to retain legal representation to further investigate the Concealed Asset. The Debtor made no effort to amend schedules B and C to disclose the Concealed Asset, or to attempt to exempt the Concealed Asset until the Debtor was sued by the Trustee.

8. The Trustee's firm conducted the Rule 2004 examination of the Debtor at which time the Debtor testified, among other things, as follows:

Q. Now, you are employed by Guidant Corporation; is that correct?

A. Yes, I am.

Q. And how long have you worked there?

A. 18 years.

Q. 18 years, okay. I'm going to move to Schedule B now, and number 12, there we go. Now, you don't have any shares entered here, any stock ownership in number 12 there. Did you own any shares in any company?

A. No, sir.

Q. At the time you filled out these petitions?

A. No.

Q. Okay. I'm going to the income petition. Now, I'm looking here at, its entry number one, we're still in Exhibit Number 2, and it shows your income, you have year to date, zero and then you indicate that in 2003 you had received as income \$89,000, \$89,713, and it includes a one-time bonus. What was your basis for indicating that that was a one-time bonus?

A. It's my annual bonus that I receive once a year.

Q. Okay. Have you received bonuses in the past?

A. Yes, I have.

Q. Okay. How many years have you received bonuses during your employment at Guidant?

A. Every year.

Q. Every year. Do those bonuses get paid to every employee?

A. Yes, they do.

Q. They do.

A. To the best of my knowledge it's been every year. There were some lean years, I know, but I believe it has been.

Q. All right. We're going to refer to Exhibit Number 2 and we're going to go to Schedule B again, and I'm going to look at line number 20 on here. And you'll see here, other contingent and unliquidated claims of every nature. Why didn't you indicate the bonus here?

A. I don't know. I indicated it earlier, I guess.

Q. Can you point in your schedules to where you indicated that you were going to receive a bonus in 2004?

A. I'm not that familiar with this document, if my attorney can help, I told him right out.

Q. Are you saying that you advised your attorney that you were going to receive the bonus?

A. That's right.

Q. Okay. When did you first learn that you were going to receive a bonus for your work in 2003?

A. It's common knowledge throughout the year.

- Q. Okay. Was there a quarterly meeting where they announced that, yes, we made our goals, there will be a bonus, we just don't know how much yet?
- A. Yes.
- Q. About what month did that take place in?
- A. It's tracked every month on the bulletin boards.
- Q. Oh, okay.
- A. There's a scale.
- Q. Okay.
- A. For planned and then actual.
- Q. Okay. So was there a quarterly meeting in December?
- A. I don't recall.
- Q. Was there a quarterly meeting near the end of the year 2003?
- A. I don't believe so.
- Q. Was there - -
- A. Excuse me. The annual meetings are typically in February.
- Q. Okay. And was it at that annual meeting that you learned the percentage and amount of the bonus?
- A. Yes, it was.
- Q. And do you recall the date of that meeting?
- A. I do not.
- Q. Would I be correct if I said it was somewhere around February 4th, 2004?
- A. That sounds a little early.
- Q. Okay. Would you say it was before February 11th, 2004?
- A. Yes.

Seaver Aff. Ex. F, pp. 7-10.

9. The Trustee commenced litigation against the Debtor on June 28, 2004 to recover the Concealed Asset. The Debtor let his false Schedule B remain a matter of public record for about 6 months.

10. Objection is made to the claimed amended exemption by the Debtor pursuant to *In re Kaelin*, 308 F.2d 885 (8th Cir. 2002); and *In re Bauer*, 298 B.R. 353 (8th Cir. BAP 2003), because the proposed amendment is filed in bad faith and would prejudice creditors.

WHEREFORE, the Trustee requests an order of the Court

1. Denying Debtor's claimed exemption of "Bonus from employer \$11,221.00 less \$3,366.38 due to ex-spouse pursuant to divorce decree."
2. For such other and further relief as the court deems appropriate.

FULLER, SEAVER & RAMETTE, P.A.

Dated: August 26, 2004

By: /e/ Randall L. Seaver
Randall L. Seaver 152882
12400 Portland Avenue South, Suite 132
Burnsville, MN 55337
(952) 890-0888

Attorneys for Randall L. Seaver, Trustee

VERIFICATION

I, Randall L. Seaver, the duly appointed Chapter 7 trustee of this Bankruptcy Estate, the moving party named in the foregoing notice of hearing and motion, declare under penalty of perjury that the foregoing is true and correct according to the best of my knowledge, information and belief.

Executed on August 26, 2004

/e/ Randall L. Seaver
Randall L. Seaver

A M E N D E D

In re

Thomas R. Morin

/ Debtor

Case No. _____

(if known)

SCHEDULE C-PROPERTY CLAIMED AS EXEMPT

Debtor elects the exemptions to which debtor is entitled under:

(Check one box)

☒ 11 U.S.C. § 522(b) (1): Exemptions provided in 11 U.S.C. § 522(d). Note: These exemptions are available only in certain states.☐ 11 U.S.C. § 522(b) (2): Exemptions available under applicable nonbankruptcy federal laws, state or local law where the debtor's domicile has been located for the 180 days immediately preceding the filing of the petition, or for a longer portion of the 180-day period than in any other place, and the debtor's interest as a tenant by the entirety or joint tenant to the extent the interest is exempt from process under applicable nonbankruptcy law.

Description of Property	Specify Law Providing each Exemption	Value of Claimed Exemption	Current Market Value of Property Without Deducting Exemptions
HOMESTEAD Lot 1, Block 2, Hacienda Place Anoka County, Minnesota	11 USC 522(d) (1)	\$ 7,606.00	\$ 155,000.00
Checking: First Future Credit Union, Arden Hills, MN \$10.,	11 USC 522(d) (5)	\$ 10.00	\$ 10.00
Savings: First Future Credit Union, Arden Hills, MN \$10.,	11 USC 522(d) (5)	\$ 10.00	\$ 10.00
Household goods and furnishings	11 USC 522(d) (3)	\$ 4,000.00	\$ 4,000.00
Wearing apparel	11 USC 522(d) (3)	\$ 1,500.00	\$ 1,500.00
Camera \$20.,	11 USC 522(d) (5)	\$ 20.00	\$ 20.00
401K Plan through employer - \$60,000., subject to \$5,000., loan (not part of the estate for information purposes only)	11 USC 522(d) (10) (E)	\$ 55,000.00	\$ 55,000.00
Pension Plan through employer - Unknown Amount (not part of the estate for information purposes only)	11 USC 522(d) (10) (E)	Entire	Unknown
1995 GMC Van	11 USC 522(d) (2)	\$ 1,910.00	\$ 1,910.00
<u>2003 Federal Tax Refund</u>	<u>11 USC 522(d)(5)</u>	<u>\$2,955.00</u>	<u>\$2,955.00</u>
<u>Bonus from employer (\$11,221.00 less \$3,366.00 due to ex-spouse pursuant to divorce decree.</u>	<u>11 USC 522(d)(5)</u>	<u>\$6,655.00</u>	<u>\$7,855.00</u>

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

Bky No. 04-40653

In re:

Thomas R. Morin,

Debtor.

**MEMORANDUM IN SUPPORT OF OBJECTION
TO CLAIMED AMENDED EXEMPTION**

INTRODUCTION

Objection is made to the Debtor's claimed exemption of "Bonus from employer \$11,221.00 less \$3,366.00 due to ex-spouse pursuant to divorce decree" ("Concealed Asset"). Objection is made because the Concealed Asset was concealed from the Trustee by the Debtor in his schedules and at the §341 meeting of creditors. Neither the Debtor nor his attorney advised the Trustee at the meeting of creditors of the existence of the Concealed Asset, even though the Debtor had received the bonus the day he filed bankruptcy. The existence of this Concealed Asset was discovered only through the Trustee's investigation. Seaver Affidavit, Exhibits C and D.

After the Trustee discovered the existence of the Concealed Asset he corresponded with the Debtor's attorney questioning him regarding that payment. Seaver Aff Ex. D. The Trustee was forced to retain legal representation to further investigate the Concealed Asset. Neither the Debtor nor his attorney made any efforts to amend schedules B and C to disclose the Concealed Asset, or to attempt to exempt the Concealed Asset at that time.

The Trustee served discovery upon the Debtor and his employer. The Trustee's firm conducted the Rule 2004 examination of the Debtor.

The Trustee commenced litigation against the Debtor on June 28, 2004 to recover the Concealed Asset. On August 11, 2004, the Debtor filed Amended Schedules B and C. The

Debtor let his false Schedule B remain a matter of public record for 6 months. In the absence of the Trustee's investigation and commencement of litigation, it appears the Debtor would never have disclosed the truth to this court through filing of an Amended Schedule B.

Objection is made to the claimed amended exemption by the Debtor pursuant to *In re Kaelin*, 308 F.2d 885 (8th Cir. 2002); and *In re Bauer*, 298 B.R. 353 (8th Cir. BAP 2003), because the proposed amendment is filed in bad faith and would prejudice creditors.

FACTUAL BACKGROUND

In November, 2002 Findings of Fact, Conclusion of Law, Order for Judgment and Judgment and Decree were entered in a marital dissolution between the Debtor and his former spouse. That document provided, among other things, at paragraph 5, as follows:

5. Child Support. That Petitioner shall pay to Respondent child support in the amount of \$1,169.10 per month plus 30% of Petitioner's net annual bonus, in accordance with Child Support Guidelines outlined in Minnesota Statutes Annotated, Section 518.551, Subdivision 5, as amended. Petitioner shall provide Respondent with proof of the amount of said bonus by March 15th of any given year and the obligation shall be paid within seven (7) days of the Respondent's receipt of the bonus check.

Seaver Aff. Ex. H.

The Debtor had been employed by Guidant for 18 years. *Morin Exam pp. 7-8*. Seaver Aff. Ex. F. The Debtor received the payment of a bonus from Guidant each of those 18 years. *Morin 2004 exam, p. 8*, Seaver Aff. Ex. F. The Debtor was always aware that he was going to receive a bonus in early 2004 for the work that he performed in 2003. *Id.* at p. 9. He knew the amount of the bonus that he was to receive prior to the filing of the bankruptcy petition in this case. *Id.* at p. 10. He advised his attorney that he was going to receive the bonus. *Id.* at p. 9.

On February 11, 2004, the day his bankruptcy case was filed, the Debtor received his bonus check for \$11,221.29. Seaver Aff. Ex. F at pp. 13, 17 and Ex. I. He deposited the check and took out \$221.29 in cash. The check was deposited into an unscheduled account maintained

by the Debtor at Bremer Bank. The only accounts that the Debtor had disclosed in his schedules were located at First Future Credit Union. See Debtor's Schedule B.

Even though the bonus was property of the bankruptcy estate, the Debtor then, among other things, wrote a check to an unscheduled creditor (his former spouse) in this bankruptcy case, for \$3,366.38. Seaver Aff. Ex. E.

After the Debtor had deposited the concealed check into the concealed account, and paid an unscheduled creditor with some of those estate monies, he attended the meeting of creditors on March 16, 2004. At that meeting, he testified under oath as follows:

BY MR. SEEVER:

Q. Have you read the bankruptcy information sheet provided by the Office of the U.S. Trustee?

A. Yes, I have.

Q. Did you read the petition, schedules, statements, and related documents in the filing declaration before you signed them?

A. Yes, sir.

Q. And did you sign those documents?

A. I did.

Q. Are you personally familiar with the information contained in those documents?

A. Yes.

Q. And to the best of your knowledge is that information true and correct?

A. Yes, sir, it is.

Q. Are there any changes or errors or omissions to bring to my or the Court's attention at this time?

A. No, sir.

Q. Did you list all of your assets and all of your creditors on the schedules?

A. Yes.

Seaver Aff. Ex. B.

Although the Debtor and apparently his attorney knew of the Debtor's bonus, neither the Debtor nor his attorney disclosed to the Trustee at the §341 meeting the existence of that Concealed Asset.

By letter of March 22, 2004, the Trustee received from the Debtor copies of check registers and a divorce decree. Despite the Trustee's request, he did not receive bank statements from the Debtor. The Trustee received a pay stub from the Debtor, however it was a pay stub only for his normal pay period. The pay stub for the Debtor's concealed bonus was not turned over to the Trustee.

After his receipt of the check register, the Trustee saw that an \$11,000 deposit had been made the day after commencement of the bankruptcy case. On March 23, 2004, the Trustee corresponded with the Debtor's attorney demanding an explanation of that deposit, and also requesting other information as to the \$3,366.38 payment. The Trustee also demanded copies of the Debtor's checking account statements from November 1, 2003 to date.

On April 7, 2004, the Debtor's attorney, Robert Everhart, corresponded with the Trustee providing the Trustee with a copy of the bonus check and copies of two canceled checks. The Debtor's attorney in that correspondence indicated that he was aware of an \$800 payment made to a creditor within the 90 days prior to commencement of the bankruptcy case. No such payment was disclosed in the Debtor's statement of financial affairs, nor was it disclosed at the §341 meeting. Seaver Aff. Exs. A and B. Subsequently, the Trustee recovered the \$800 transfer from the Navy Federal Credit Union.

After learning of the Debtor's receipt of the Concealed Asset check, the Trustee's attorney conducted a Rule 2004 examination. At that examination the Debtor testified as follows:

- Q. Now, you are employed by Guidant Corporation; is that correct?
- A. Yes, I am.
- Q. And how long have you worked there?
- A. 18 years.
- Q. 18 years, okay. I'm going to move to Schedule B now, and number 12, there we go. Now, you don't have any shares entered here, any stock ownership in number 12 there. Did you own any shares in any company?

A. No, sir.

Q. At the time you filled out these petitions?

A. No.

Q. Okay. I'm going to the income petition. Now, I'm looking here at, its entry number one, we're still in Exhibit Number 2, and it shows your income, you have year to date, zero and then you indicate that in 2003 you had received as income \$89,000, \$89,713, and it includes a one-time bonus. What was your basis for indicating that that was a one-time bonus?

A. It's my annual bonus that I receive once a year.

Q. Okay. Have you received bonuses in the past?

A. Yes, I have.

Q. Okay. How many years have you received bonuses during your employment at Guidant?

A. Every year.

Q. Every year. Do those bonuses get paid to every employee?

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Q. They do.

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Q. All right. We're going to refer to Exhibit Number 2 and we're going to go to Schedule B again, and I'm going to look at line number 20 on here. And you'll see here, other contingent and unliquidated claims of every nature. Why didn't you indicate the bonus here?

A. I don't know. I indicated it earlier, I guess.

Q. Can you point in your schedules to where you indicated that you were going to receive a bonus in 2004?

A. I'm not that familiar with this document, if my attorney can help, I told him right out.

Q. Are you saying that you advised your attorney that you were going to receive the bonus?

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Q. Okay. When did you first learn that you were going to receive a bonus for your work in 2003?

A. It's common knowledge throughout the year.

Q. Okay. Was there a quarterly meeting where they announced that, yes, we made our goals, there will be a bonus, we just don't know how much yet?

A. Yes.

Q. About what month did that take place in?

A. It's tracked every month on the bulletin boards.

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A. There's a scale.

Q. Okay.

- A. For planned and then actual.
Q. Okay. So was there a quarterly meeting in December?
A. I don't recall.
Q. Was there a quarterly meeting near the end of the year 2003?
A. I don't believe so.
Q. Was there - -
A. Excuse me. The annual meetings are typically in February.
Q. Okay. And was it at that annual meeting that you learned the percentage and amount of the bonus?
A. Yes, it was.
Q. And do you recall the date of that meeting?
A. I do not.
Q. Would I be correct if I said it was somewhere around February 4th, 2004?
A. That sounds a little early.
Q. Okay. Would you say it was before February 11th, 2004?
A. Yes.

Seaver Aff. Ex. F.

He also testified as follows:

- Q. Okay. So you received the check on the 11th of February, 2004, and deposited it on the 12th of February?
A. Correct.

Seaver Aff. Ex. F, p. 17.

Finally, the Trustee sued the Debtor by ADV No. 04-4184 which was filed on June 28, 2004. Only after the Trustee incurred the expense of uncovering the Concealed Asset and commencing litigation to recover it, did the Debtor file an amended Schedule B and C.¹

In his Answer to the adversary proceeding complaint, the Debtor acknowledges receipt of the bonus. He also admits that he used \$3,366.38 of the estate's money to pay an unscheduled creditor, his former spouse. Of course, the Debtor had no authorization from the Trustee to pay

¹While the Debtor has filed an Amended Schedule B, that schedule is still not truthful in that the Debtor still has not scheduled the undisclosed Bremer Bank account.

this unscheduled creditor with undisclosed assets of the estate which had been deposited into an unscheduled bank account.

LEGAL ARGUMENT

The Bankruptcy Court has discretion to deny an amendment of a Debtor's exemptions if that amendment is proposed in bad faith. *In re Kaelin*, 308 F.3d 885, 888 (8th Cir. 2002); *In re Bauer*, 298 E.R. 353, 356 (8th Cir. BAP).

Additionally, where there is prejudice to creditors, the court can also deny a Debtor's claimed amended exemption. *Id.*

It is difficult to imagine a case more clearly evidencing bad faith and prejudice to creditors.

The Debtor had been employed by Guidant Corporation for 18 years and had received a yearly bonus every one of those years. This was such an established event, that the Debtor's Decree of Dissolution specifically dealt with the annual bonus to be received by the Debtor. Seaver Aff. Ex. H pp. 9-10. Prior to the filing of the bankruptcy petition in this case, the Debtor knew the exact amount of his bonus. Seaver Aff. Ex. F. The Debtor has testified that his attorney, Robert Everhart, always was aware of the bonus to be received by the Debtor. Seaver Aff. Ex. H, p. 9.

Despite the Debtor's specific knowledge of the bonus, he did not disclose that right to receive the bonus in his Schedule B.

At the §341 meeting of creditors, despite the Debtor's knowledge that he had received the bonus, he did not disclose that bonus to the Trustee. Nor did his attorney tell the Trustee of the bonus. The Debtor testified at the §341 meeting that the schedules and statement of financial affairs were accurate. He testified that he had disclosed all of his assets and all of his creditors.

That testimony was false because he did not disclose the existence of the bonus. It was also false, because he did not disclose the existence of his former spouse as a creditor.

Of course if he had disclosed the existence of his spouse as a creditor and that she was entitled to receive a portion of his bonus, he would have had to disclose the existence of the bonus to the Trustee.

Once the Trustee discovered the existence of the Concealed Asset, the Debtor and his attorney did nothing to immediately amend the schedule and truthfully disclose the Concealed Asset. The bankruptcy estate was forced to retain counsel to conduct a Rule 2004 examination of the Debtor to discover the truth about the Debtor's receipt of the Concealed Asset. Still, the Debtor and his attorney did nothing to amend the schedules.

The Trustee was forced to commence a lawsuit against the Debtor to recover the Concealed Asset. Finally, only in response to the lawsuit did the Debtor file amended Schedules B and C.

The Debtor, through his attorney, Mr. Everhart, also filed an answer to the Complaint admitting, among other things, that as had already been uncovered by the Trustee, \$3,366.38 of estate property derived from the Concealed Asset had been transferred post-petition by the Debtor to his former spouse, JoAnn Millette. Seaver Aff. Ex. I.

Incredibly, in his Answer to the Complaint, the Debtor and his attorney assert that the unauthorized transfer of concealed estate money to his former spouse, which concealed monies were deposited into an unscheduled bank account, is a partial defense to the Trustee's claim for recovery from the Debtor.

1. Bad Faith.

The bad faith of a Debtor in seeking to amend the schedules is determined by the totality of the circumstances. *Kaelin*, at 889. The evidence of bad faith by the Debtor in this case is overwhelming as indicated by the following:

- a. The Debtor had always received a bonus during the entire 18 years of his employment at Guidant Corporation.
- b. The Debtor knew prior to the filing of his bankruptcy petition that he was going to receive a bonus of in excess of \$11,000.
- c. The Debtor received the bonus check on the same day he filed his bankruptcy petition.
- d. The Debtor did not disclose the existence of his former spouse as a creditor with respect to the bonus.
- e. The Debtor deposited the concealed bonus check into an unscheduled bank account and then, without authorization, transferred funds to his ex-wife, an unscheduled creditor.
- f. The Debtor falsely testified at his §341 meeting that he had scheduled all assets and all creditors, and that there were no errors in the statement of financial affairs or schedules.
- g. Neither the Debtor nor his attorney, who also apparently knew of the bonus, advised the Trustee of the bonus at the meeting of creditors.
- h. The Debtor forced the Trustee to incur substantial legal expense in uncovering the true facts relating to the existence of the bonus and the disposal of bonus proceeds.
- i. The Debtor forced the Trustee to commence a lawsuit against him to recover the Concealed Asset.
- j. Only after the Trustee incurred legal expense in conducting a Rule 2004 examination, and in commencing litigation against the Debtor, did the Debtor file an amended Schedule C.

As the *Kaelin* court indicated:

When it is discovered that a debtor has attempted to hide an asset, it will generally support a finding of bad faith.

Kaelin, supra at 890.

There is no doubt that this Debtor intentionally concealed an asset of the estate. The only reason the Trustee knows that this asset exists is because of his diligence. This is an extreme example of bad faith by a Debtor, and the Debtor's claimed exemption of the bonus should be denied.

2. Prejudice to Creditors.

There would be substantial monetary prejudice to the creditors of this bankruptcy estate if the Debtor were allowed to exempt a portion of the bonus. Solely through the actions of the Debtor and his counsel, the estate has been forced to incur thousands of dollars in attorney's fees.

The estate also incurred a filing fee of \$150 as a result of the actions of the Debtor and his counsel. The Debtor also made an unauthorized transfer of the Concealed Asset, which could lead to litigation expense in seeking to recover that asset from the Debtor's former spouse in the event the Debtor is unable to pay the entire \$11,221 to the estate.

Clearly, the behavior of the Debtor in this case in concealing the asset and then engaging in an unauthorized asset post-petition has caused monetary prejudice to the estate because funds that would otherwise be available to creditors of the estate have been, instead, spent on discovering and recovering the asset intentionally concealed by the Debtor. Prejudice may arise if creditors suffer an actual economic loss due to a Debtor's delay in claiming his exemption.

Kaelin supra at 890.

The Debtor's claimed exemption of the bonus should be denied also because of prejudice to creditors.

CONCLUSION

For the reasons set forth above, the Debtor's claimed exemption of "Bonus from employer \$11,221 less \$3,366 due to ex-spouse pursuant to divorce decree" should be denied.

FULLER, SEAVER & RAMETTE, P.A.

Dated: August 26, 2004

By: /e/ Randall L. Seaver

Randall L. Seaver 152882
12400 Portland Avenue South, Suite 132
Burnsville, MN 55337
(952) 890-0888

Attorneys for Randall L. Seaver, Trustee

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

Bky No. 04-40653

In re:

Thomas R. Morin,

AFFIDAVIT OF RANDALL L. SEAVER

Debtor.

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

Randall L. Seaver, being first duly sworn, does

hereby state and depose as follows:

1. I am the Trustee in the above matter and have personal knowledge of the facts contained herein.

2. Attached hereto as Exhibit A is a true and correct copy of the Debtor's original Schedule B and C which were filed on February 11, 2004.

3. Attached hereto as Exhibit B is a true and correct copy of the transcript of the Debtor's §341 meeting.

4. The Debtor's schedules did not disclose the existence of an account at Bremer Bank. After I received from the Debtor's attorney a copy of the Debtor's check register for the undisclosed Bremer Bank account, I discovered a deposit of \$11,000 which was made on February 12, 2004, one day after this case was commenced. Attached hereto as Exhibit C is a copy of the page of the check register showing that deposit.

5. Attached hereto as Exhibit D are letters from the Trustee to Debtor's counsel, Robert Everhart regarding that deposit.

6. Attached hereto as Exhibit E is a true and correct copy of the letter from Robert Everhart dated April 17, 2004 together with enclosures thereto.

7. Attached hereto as Exhibit F is a true and correct copy of a transcript of the Rule 2004 deposition of the Debtor, which was also attended by Robert Everhart.

8. Attached hereto as Exhibit G is a true and correct copy of the Complaint in ADV No. 04-4184.

9. Attached hereto as Exhibit H is a true and correct copy of the decree of dissolution provided to me by the Debtor.

10. Attached hereto as Exhibit I is a true and correct copy of the Answer submitted in ADV No. 04-5184.

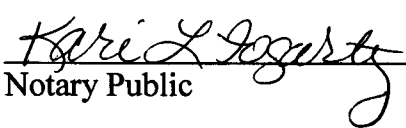
11. The estate has incurred thousands of dollars in fees conducting Rule 2004 discovery and in the litigation against the Debtor to recover the Concealed Asset.

FURTHER YOUR AFFIANT SAYETH NOT.

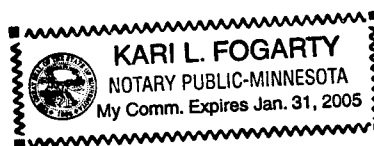


Randall L. Seaver

Subscribed and sworn to before me this
26 day of August, 2004.



Notary Public



In re Thomas R. Morin

/ Debtor

Case No. _____

(if known)

SCHEDULE B-PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "X" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, or both own property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C-Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G-Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property."

Type of Property	None	Description and Location of Property	Husband--H Wife--W Joint--J Community--C	Current Market Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption
1. Cash on hand.	X			
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.		<i>Checking: First Future Credit Union, Arden Hills, MN \$10.,</i> <i>Location: In debtor's possession</i>		\$ 10.00
		<i>Savings: First Future Credit Union, Arden Hills, MN \$10.,</i> <i>Location: In debtor's possession</i>		\$ 10.00
3. Security deposits with public utilities, telephone companies, landlords, and others.	X			
4. Household goods and furnishings, including audio, video, and computer equipment.		<i>Household goods and furnishings</i> <i>Location: In debtor's possession</i>		\$ 4,000.00
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.		<i>Wearing apparel</i> <i>Location: In debtor's possession</i>		\$ 1,500.00
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.		<i>Camera \$20.,</i> <i>Location: In debtor's possession</i>		\$ 20.00
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.	X			
10. Annuities. Itemize and name each issuer.	X			

In re Thomas R. Morin / DebtorCase No. _____
(if known)**SCHEDULE B-PERSONAL PROPERTY**

(Continuation Sheet)

Type of Property	None	Description and Location of Property	<div> <div>Husband--H Wife--W Joint--J Community--C</div> <div>Current Market Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption</div> </div>
11. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Itemize.		<p><i>401K Plan through employer - \$60,000., subject to \$5,000., loan (not part of the estate for information purposes only)</i> <i>Location: In debtor's possession</i></p> <p><i>Pension Plan through employer - Unknown Amount (not part of the estate for information purposes only)</i> <i>Location: In debtor's possession</i></p>	<p>\$ 55,000.00</p> <p>Unknown</p>
12. Stock and interests in incorporated and unincorporated businesses. Itemize.	X		
13. Interests in partnerships or joint ventures. Itemize.	X		
14. Government and corporate bonds and other negotiable and non-negotiable instruments.	X		
15. Accounts Receivable.	X		
16. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X		
17. Other liquidated debts owing debtor including tax refunds. Give particulars.	X		
18. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule of Real Property.	X		
19. Contingent and non-contingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X		
20. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.	X		
21. Patents, copyrights, and other intellectual property. Give particulars.	X		
22. Licenses, franchises, and other general intangibles. Give particulars.	X		
23. Automobiles, trucks, trailers and other vehicles.		<p><i>1995 GMC Van</i> <i>Location: In debtor's possession</i></p>	<p>\$ 1,910.00</p>

In re Thomas R. Morin / DebtorCase No. _____
(if known)**SCHEDULE B-PERSONAL PROPERTY**

(Continuation Sheet)

Type of Property	None	Description and Location of Property		Current Market Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption
			Husband--H Wife--W Joint--J Community--C	
24. Boats, motors, and accessories.	X			
25. Aircraft and accessories.	X			
26. Office equipment, furnishings, and supplies.	X			
27. Machinery, fixtures, equipment and supplies used in business.	X			
28. Inventory.	X			
29. Animals.	X			
30. Crops - growing or harvested. Give particulars.	X			
31. Farming equipment and implements.	X			
32. Farm supplies, chemicals, and feed.	X			
33. Other personal property of any kind not already listed. Itemize.	X			
Total ➡				\$ 62,450.00

In re Thomas R. Morin / DebtorCase No. _____
(if known)**SCHEDULE C-PROPERTY CLAIMED AS EXEMPT**

Debtor elects the exemptions to which debtor is entitled under:

(Check one box)

☒ 11 U.S.C. § 522(b) (1): Exemptions provided in 11 U.S.C. § 522(d). Note: These exemptions are available only in certain states.☐ 11 U.S.C. § 522(b) (2): Exemptions available under applicable nonbankruptcy federal laws, state or local law where the debtor's domicile has been located for the 180 days immediately preceding the filing of the petition, or for a longer portion of the 180-day period than in any other place, and the debtor's interest as a tenant by the entirety or joint tenant to the extent the interest is exempt from process under applicable nonbankruptcy law.

Description of Property	Specify Law Providing each Exemption	Value of Claimed Exemption	Current Market Value of Property Without Deducting Exemptions
HOMESTEAD <i>Lot 1, Block 2, Hacienda Place Anoka County, Minnesota</i>	<i>11 USC 522(d)(1)</i>	<i>\$ 7,606.00</i>	<i>\$ 155,000.00</i>
<i>Checking: First Future Credit Union, Arden Hills, MN \$10.,</i>	<i>11 USC 522(d)(5)</i>	<i>\$ 10.00</i>	<i>\$ 10.00</i>
<i>Savings: First Future Credit Union, Arden Hills, MN \$10.,</i>	<i>11 USC 522(d)(5)</i>	<i>\$ 10.00</i>	<i>\$ 10.00</i>
<i>Household goods and furnishings</i>	<i>11 USC 522(d)(3)</i>	<i>\$ 4,000.00</i>	<i>\$ 4,000.00</i>
<i>Wearing apparel</i>	<i>11 USC 522(d)(3)</i>	<i>\$ 1,500.00</i>	<i>\$ 1,500.00</i>
<i>Camera \$20.,</i>	<i>11 USC 522(d)(5)</i>	<i>\$ 20.00</i>	<i>\$ 20.00</i>
<i>401K Plan through employer - \$60,000., subject to \$5,000., loan (not part of the estate for information purposes only)</i>	<i>11 USC 522(d)(10)(E)</i>	<i>\$ 55,000.00</i>	<i>\$ 55,000.00</i>
<i>Pension Plan through employer - Unknown Amount (not part of the estate for information purposes only)</i>	<i>11 USC 522(d)(10)(E)</i>	<i>Entire</i>	<i>Unknown</i>
<i>1995 GMC Van</i>	<i>11 USC 522(d)(2)</i>	<i>\$ 1,910.00</i>	<i>\$ 1,910.00</i>

1 UNITED STATES BANKRUPTCY COURT

2 DISTRICT OF MINNESOTA

3
4 -----
5
6 In re:

7
8 Thomas R. Morin,

Bky No. 04-40653

9
10 Debtor.

341 Hearing

11
12 -----
13
14
15 This matter was tape-recorded by the
16 parties present and transcribed by Angie D. Threlkeld,
17 Court Reporter.

18
19
20
21
22 * * *
23
24
25

TAPE RECORDED PROCEEDING
THOMAS R. MORIN

Page 2

1 MR. SEAYER: Next case is Thomas J.

2 Morin, Bankruptcy Number 04-40653.

3 Are any creditors here on the Morin case?

4 UNKNOWN SPEAKER: M-O-R-I-N?

5 MR. SEAYER: Yeah, it's M-O-R-I-N.

6 UNKNOWN SPEAKER: Okay.

7 UNKNOWN SPEAKER: Thomas R.?

8 MR. SEAYER: Yeah. Did I say something

9 else?

10 UNKNOWN SPEAKER: Thomas J.

11 MR. SEAYER: Okay. No, I'm sorry.

12 THOMAS R. MORIN,

13 After having been first duly sworn, was

14 examined and testified on his oath as follows:

15 EXAMINATION

16 BY MR. SEAYER:

17 Q Would you state your name and address for the
18 record, please?

19 A Thomas R. Morin. 1064 169th Avenue Northeast,
20 Blaine, Minnesota.

21 Q And I have received a driver's license and a -- this
22 is a -- Tell me what this is, sir.

23 A That's my recent pay stub --

24 Q Okay.

25 A -- showing my social security number.

1 MR. SEAYER: And it does have the
2 debtor's name on it and the appropriate social
3 security number on it.

4 BY MR. SEAYER:

5 Q Have you read the bankruptcy information sheet
6 provided by the Office of the U.S. Trustee?

7 A Yes, I have.

8 Q Did you read the petition, schedules, statements,
9 and related documents in the filing declaration
10 before you signed them?

11 A Yes, sir.

12 Q And did you sign those documents?

13 A I did.

14 Q Are you personally familiar with the information
15 contained in those documents?

16 A Yes.

17 Q And to the best of your knowledge is that
18 information true and correct?

19 A Yes, sir, it is.

20 Q Are there any changes or errors or omissions to
21 bring to my or the Court's attention at this time?

22 A No, sir.

23 Q Did you list all of your assets and all of your
24 creditors on the schedules?

25 A Yes.

1 Q Have you ever filed bankruptcy before?

2 A No, I have not.

3 Q In the 90 days prior to filing, did you lose any
4 money or property by execution under judgment or
5 through a garnishment?

6 A No.

7 Q Did you pay over \$600 to any single unsecured
8 creditor in the 90 days prior to filing?

9 A No.

10 Q Did you transfer any property or interest in
11 property to anyone in the one year prior to filing?

12 A No.

13 Q Are you self-employed or engaged in any other
14 business ventures?

15 A No, sir.

16 Q I have requested that you provide me with certain
17 documents, checking account statements and some
18 things to prove the 401K. The 401K, I don't see
19 it --

20 UNKNOWN SPEAKER: Yeah.

21 BY MR. SEEVER:

22 Q -- that document.

23 UNKNOWN SPEAKER: No, I apologize. We
24 got your request out to him late. He brought it
25 today. We'll copy it and get it to you.

1 MR. SEEVER: Okay.

2 UNKNOWN SPEAKER: And proof on the 401.
3 We have his paycheck which indicates the deduction
4 is -- this specified a 401K.

5 MR. SEEVER: Okay. And there is a 401K
6 loan -- 401K savings plan.

7 BY MR. SEEVER:

8 Q The 401K, is that the same one that's here on your
9 pay stub?

10 A That's correct.

11 Q Okay. Do you have a recent statement for your 401K
12 plan or just --

13 A Not with me. But I'm certain --

14 Q Okay.

15 A -- I could come up with that.

16 Q Well, send it to your attorney, and he'll send it
17 out to me.

18 A Okay.

19 Q All right? Did you get a tax refund for the year
20 2002? If so, how much was it?

21 A 2002. No.

22 Q Have you done your 2003 returns --

23 A Yes.

24 Q -- yet? Are you entitled to a refund?

25 A Yes.

1 Q How much?

2 A 2,955.

3 Q Is that total state and federal?

4 A That's federal. State I owe 85.

5 Q Okay. It looks like there's room here for it.

6 A Yes.

7 Q There's plenty of room here. I assume you want to
8 claim that as exempt?

9 A Yeah.

10 Q Do you expect to inherit any property in the next
11 month under a (inaudible) case?

12 A No.

13 Q Has anyone died since you filed bankruptcy that
14 would result in you inheriting any property?

15 A No.

16 MR. SEAVER: I don't have any further
17 questions. Oh, I do have one.

18 BY MR. SEAVER:

19 Q Have you refinanced your property in the last year?

20 A No.

21 Q And did you buy your property within the last year?

22 A It was a year on February 15th.

23 Q Oh.

24 A In the new year.

25 MR. SEAVER: Okay. I don't have anything

1 further. Thanks.

2 UNKNOWN SPEAKER: Thank you.

3 (Hearing concluded.)

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1 STATE OF MINNESOTA)
) ss.
2 COUNTY OF SCOTT)

3
4
5 REPORTER'S CERTIFICATE
6
7

8 I, Angie D. Threlkeld, do hereby
9 certify that the above and foregoing tape-recorded
10 transcript, consisting of the preceding 7
11 pages is a full, true and complete transcript of the
12 proceedings to the best of my ability.

13 Dated August 19, 2004.
14
15
16
17

18 ANGIE D. THRELKELD
19 Registered Professional Reporter
20
21
22
23
24
25

NUMBER	DATE	DESCRIPTION OF TRANSACTION	PAYMENT/DEBIT (-)	T	FEE IF ANY (-)	DEPOSIT/CREDIT (+)	BALANCE
BALANCE BROUGHT FORWARD →							\$ 1595 01
2011	1/31	DIRECT TV	47 90				1547 10
2012	1/31	RETAILERS NAT - Target	303 25				1243 85
2013	1/31	WASHINGTON MUTUAL	1200 00				43 85
2014	1/31	NFCU	800 00			-	756 15
					493		
2015	1/31	MAILING ADJUSTMENT			613		
		HOME OWNERS ASSN	120 00			-	885 15
UTRA	1/31	TOURNAMENT	26 14			-	911 25
UTRA	1/31	STARR LIQ	25 57			-	936 86
F/C	-	ADJUSTMENT	1 50			-	938 36
UTRA	2/1	CUB FOODS	111 86			-	1050 2
UTRA	2/3	NORTHWAY	28 74			-	1078 9
UTRA	2/6	TOURNAMENT	14 16			-	1093 1
UTRA	2/6	NORTHWAY	56 50			-	1149 6
2016	2/11	GEORGE RIGGS	400 00			-	1549 6
dep	2/12	BONUS				11,000	9450 3
2017	2/12	FIRST FUT (VANCE)	271 00				9179

EXHIBIT C

RANDALL L. SEAVER
UNITED STATES CHAPTER 7 PANEL TRUSTEE

PORTLAND CORPORATE CENTER
12400 PORTLAND AVENUE SOUTH, SUITE 132
BURNSVILLE, MN 55337

Telephone (952) 890-0888
Facsimile (952) 890-0244

VIA FACSIMILE (651) 636-8879
March 23, 2004

Robert J. Everhart
Attorney at Law
P.O. Box 120534
New Brighton, MN 55112

RE: Thomas R. Morin
BKY No. 04-40653

4-8-04
THIS IS A FAXED FOLLOW-UP
ACCORDING TO OUR FILES, WE HAVE NOT RECEIVED A REPLY TO THIS LETTER, YOUR EARLY ATTENTION TO THIS MATTER WILL BE APPRECIATED

Dear Mr. Everhart:

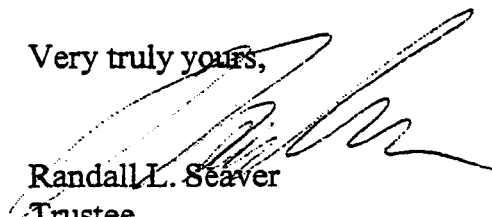
As you will recall, I am the Trustee in the above matter. A review of the records just provided to me by the Debtor indicate that he received a "bonus" of \$11,000 which was deposited into his checking account one day after this bankruptcy case was commenced. There was no disclosure of any such entitlement in the Debtor's schedules. Please provide me with an immediate explanation of the source of that payment, and all documents relating to or evidencing the source of and the entitlement to that payment. I expect to receive that information within seven (7) days from the date of this letter.

It also appears that the Debtor paid \$800 to the Navy Federal Credit Union by check number 2014 within 90 days prior to filing. Please provide me with all account statements and checks relative to that obligation and payment.

Also, please provide me with a copy of check number 2018 so that I can see to whom the amount of \$3,366.38 was paid.

This is also a demand for the Debtors checking account statements from November 1, 2003 to date, and that the Debtor provide me with copies of his tax returns as soon as they are prepared.

Very truly yours,


Randall L. Seaver
Trustee

RLS:kif

C:\Data\randy\Trustee-A\p1\Marin\tr to Everhart re money.wpd

EXHIBIT D

RANDALL L. SEAVER
UNITED STATES CHAPTER 7 PANEL TRUSTEE

PORTLAND CORPORATE CENTER
12400 PORTLAND AVENUE SOUTH, SUITE 132
BURNSVILLE, MN 55337

Telephone (952) 890-0888
Facsimile (952) 890-0244

VIA FACSIMILE (651) 636-8879

March 23, 2004

Robert J. Everhart
Attorney at Law
P.O. Box 120534
New Brighton, MN 55112

FAXED
2:50

RE: Thomas R. Morin
BKY No. 04-40653

Dear Mr. Everhart:

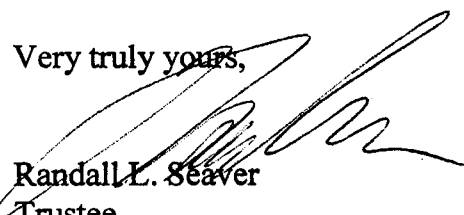
As you will recall, I am the Trustee in the above matter. A review of the records just provided to me by the Debtor indicate that he received a "bonus" of \$11,000 which was deposited into his checking account one day after this bankruptcy case was commenced. There was no disclosure of any such entitlement in the Debtor's schedules. Please provide me with an immediate explanation of the source of that payment, and all documents relating to or evidencing the source of and the entitlement to that payment. I expect to receive that information within seven (7) days from the date of this letter.

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Very truly yours,


Randall L. Seaver
Trustee

RLS:klf

EVERHART LAW OFFICE, LTD

Robert J. Everhart

P.O. Box 120534
New Brighton, Minnesota 55112
Telephone: 651-636-9212
Fax: 651-636-8879

April 7, 2004

Randall L. Seaver
Chapter 7 Trustee
12400 Portland Ave. So. #132
Burnsville, MN 55337

Re: Thomas R. Morin
BKY Case 04-40653 - NCD

Dear Mr. Seaver:

Enclosed you will find a copy of the bonus check, deposit receipt and two canceled checks # 2014 and 2018. . Note, that the bonus check was paid through the end date of 02/28/04. He received the check early from his boss and deposited on 2/12/04. The \$800.00 was a cash advance that he had borrowed from the Credit Union right before he consulted with me, I advised him to pay it back.

If you have any questions, or would like to discuss this further, please don't hesitate to call my office.

Sincerely,



Robert J. Everhart
Attorney at Law

Encl:

EXHIBIT E

[illegible]

deposit Slip

Checklist of Deposits

Amounts Received: Checks In: 11,221.29

62-122 4529

00-000000

all items credited subject to payment.

0251-284-219

[illegible][illegible]

DATE	DESCRIPTION	AMOUNT
10/1	BALANCE	10.00
10/2	SALES	10.00
10/3	SALES	10.00
10/4	SALES	10.00
10/5	SALES	10.00
10/6	SALES	10.00
10/7	SALES	10.00
10/8	SALES	10.00
10/9	SALES	10.00
10/10	SALES	10.00
10/11	SALES	10.00
10/12	SALES	10.00
10/13	SALES	10.00
10/14	SALES	10.00
10/15	SALES	10.00
10/16	SALES	10.00
10/17	SALES	10.00
10/18	SALES	10.00
10/19	SALES	10.00
10/20	SALES	10.00
10/21	SALES	10.00
10/22	SALES	10.00
10/23	SALES	10.00
10/24	SALES	10.00
10/25	SALES	10.00
10/26	SALES	10.00
10/27	SALES	10.00
10/28	SALES	10.00
10/29	SALES	10.00
10/30	SALES	10.00
10/31	SALES	10.00
11/1	SALES	10.00
11/2	SALES	10.00
11/3	SALES	10.00
11/4	SALES	10.00
11/5	SALES	10.00
11/6	SALES	10.00
11/7	SALES	10.00
11/8	SALES	10.00
11/9	SALES	10.00
11/10	SALES	10.00
11/11	SALES	10.00
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11/13	SALES	10.00
11/14	SALES	10.00
11/15	SALES	10.00
11/16	SALES	10.00
11/17	SALES	10.00
11/18	SALES	10.00
11/19	SALES	10.00
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11/21	SALES	10.00
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11/27	SALES	10.00
11/28	SALES	10.00
11/29	SALES	10.00
11/30	SALES	10.00
12/1	SALES	10.00
12/2	SALES	10.00
12/3	SALES	10.00
12/4	SALES	10.00
12/5	SALES	10.00
12/6	SALES	10.00
12/7	SALES	10.00
12/8	SALES	10.00
12/9	SALES	10.00
12/10	SALES	10.00
12/11	SALES	10.00
12/12	SALES	10.00
12/13	SALES	10.00
12/14	SALES	10.00
12/15	SALES	10.00
12/16	SALES	10.00
12/17	SALES	10.00
12/18	SALES	10.00
12/19	SALES	10.00
12/20	SALES	10.00
12/21	SALES	10.00
12/22	SALES	10.00
12/23	SALES	10.00
12/24	SALES	10.00
12/25	SALES	10.00
12/26	SALES	10.00
12/27	SALES	10.00
12/28	SALES	10.00
12/29	SALES	10.00
12/30	SALES	10.00
12/31	SALES	10.00
TOTAL		300.00

[illegible]

Description	Current	YTD
Supplemental Life Ins (All)	0.00	12.53
Child Life Deduction Code	0.00	0.56
R/T 401K Loan Repayment	0.00	96.36
GMM of Child X	0.00	1,169.10
United Way Cont St Paul	0.00	10.80
		Total: 1,288.55

BEFORE-TAX DEDUCTIONS		
Description	Current	TWD
501 Health Plan Prefax (med)	0.00	58.50
501 Dental Prefrax	0.00	18.50
Vision Prefrax Deduction	0.00	12.00
401K Savings Plan	0.00	47.58
Long Term Disability Deduction	0.00	6.19
		142.77
		0.00
		142.77

Bremer Bank N.A.

THOMAS R. MORIN
1054 - 109TH AVE. NE
BLAINE, MN 55434


75-1041 13
952
1549372

2014

DATE 1-31-04

PAY TO THE ORDER OF NFC \$ 800.00

Eight HUNDRED 00/100 DOLLARS

 PREMIER BANK, NATIONAL ASSOCIATION
4051 LEXINGTON AVENUE NORTH • (651) 481-2500
ARDEN HILLS, MN 55126
24 HOURS A DAY 1-800-905-BANK
www.premierbank.com

MEMO 4060950003541831

4060950003541831

10960104151 15491197721 02014 0000080000

[illegible]

Account: 15499772 Check#: 2014 Amount: \$800.00 Date: 02-18-2004

Page 1

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Thomas R. Morin,
Debtor.

EXAMINATION OF THOMAS R. MORIN, taken

pursuant to Notice, before Janet Shaddix Elling,
registered professional reporter and notary public, at
12400 Portland Avenue South, Suite 132, Burnsville,
Minnesota, on May 28, 2004, commencing at approximately
10:00 a.m.

* * *

Page 2

APPEARANCES:

ROBERT J. EVERHART, Attorney at Law,
708 Cleveland Avenue S.W., Suite 101, New
Brighton, Minnesota, 55112, appeared for and on
behalf of the Debtor.

ROGER B. SEAVER, Attorney at Law,
Fuller, Seaver & Ramette, P.A., 12400 Portland
Avenue South, Suite 132, Burnsville, Minnesota,
55337, appeared for and on behalf of Randall L.
Seaver, Trustee.

WHEREUPON, the following proceedings
were duly had and entered of record, to wit:

Page 3

I N D E X

1	WITNESS	PAGE
2	THOMAS R. MORIN	
4	Examination by Mr. Seaver	4
5	Examination by Mr. Everhart	20
6	DEPOSITION EXHIBITS:	
1	- Petition, Schedules & Statements	4
2	- Voluntary Petition	4
3	- Bankruptcy Court Website Document	4
4	- Careers at Guidant	4
5	- Payroll Summary Report	4
6	- Bremer Bank Receipt & Bonus Stub	19

Page 4

(Whereupon, Deposition Exhibits 1
through 5 were marked for identification
by the court reporter.)

THOMAS R. MORIN,
after having been first duly sworn, was
examined and testified on his oath as follows:

EXAMINATION

BY MR. SEAVER:

Q All right. Can you state your name and spell it
for the record, please?

A Thomas Robert Morin, T-H-O-M-A-S, R-O-B-E-R-T,
M-O-R-I-N.

Q Okay. Have you ever had your deposition taken
before?

A No.

Q Okay. A couple things. The court reporter is
going to take down everything you say word for
word, and it's hard to write down shaking your
head or nodding your head or huh-huh or uh-uh.

A Okay.

Q So say yes or no to the questions.

A All right.

Q If I ask a question that you don't understand,
just ask me to rephrase it, and I will happily do
that.

Page 5

1 A Okay.
 2 Q I am going to start out with -- I'm going to start
 3 out with Deposition Exhibit Number 1, and do you
 4 recognize your signature on this document?
 5 A Yes, I do.
 6 Q Do you know what this document is?
 7 A I believe it was one that I filled out with my
 8 attorney when I first filed.
 9 Q Okay. This is a document that says that you
 10 reviewed the petitions, the bankruptcy petitions,
 11 all of your schedules of your assets and debts,
 12 and you indicate that they are all accurate, and
 13 then you signed it. So you did review your
 14 petitions and they were accurate?
 15 A Yes, I did.
 16 Q Okay. And they were accurate?
 17 A Yes, they were.
 18 Q Okay. Now, I noted that, and I'm going to refer
 19 to Exhibit Number 2 now, I noted that the date of
 20 your signature, the date that you filled these out
 21 was, and I'm looking at the last page on Exhibit
 22 Number 2, was dated 1-8-2004, but the petitions
 23 were not filed until February 11th, 2004, and I'm
 24 referring now to Exhibit Number 3, this is a
 25 printout from the bankruptcy website. Do you know

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1 why there was that time lag in between there?
 2 A No, I do not.
 3 Q Okay. I'm going to refer to Exhibit Number 2
 4 now. And I'm going to refer specifically to,
 5 first, Schedule A, which is your real property. I
 6 can flip to it if you want me to. I deal with
 7 these on a regular basis, so I can get you to it
 8 pretty quickly. This is your homestead; correct?
 9 A Yes, it is.
 10 Q And how long have you owned this?
 11 A It was one year in February.
 12 Q It was one year?
 13 A Valentine's Day.
 14 Q And how did you arrive at the value of \$155,000
 15 for the homestead?
 16 A That was the asking price.
 17 Q When you purchased it?
 18 A Correct.
 19 Q So in your opinion it didn't go up in value in the
 20 year after you purchased?
 21 A I have made no improvements.
 22 Q Okay. Have any properties near you sold in the
 23 recent past, say in the last three months?
 24 A There's a new development behind me that's
 25 starting to sell. Those are twin homes, these are

Page 7

1 townhomes, so I don't know if that's comparable.
 2 Q Okay. I wouldn't ask you if it was anyway, unless
 3 you were a realtor.
 4 Now, you are employed by Guidant
 5 Corporation; is that correct?
 6 A Yes, I am.
 7 Q And how long have you worked there?
 8 A 18 years.
 9 Q 18 years, okay. I'm going to move to Schedule B
 10 now, and number 12, there we go. Now, you don't
 11 have any shares entered here, any stock ownership
 12 in number 12 there. Did you own any shares in any
 13 company?
 14 A No, sir.
 15 Q At the time you filled out these petitions?
 16 A No.
 17 Q Okay. I'm going to the income portion. Now, I'm
 18 looking here at, its entry number one, we're still
 19 in Exhibit Number 2, and it shows your income, you
 20 have year to date, zero, and then you indicate
 21 that in 2003 you had received as income \$89,000,
 22 \$89,713, and it includes a one-time bonus. What
 23 was your basis for indicating that that was a
 24 one-time bonus?
 25 A It's my annual bonus that I receive once a year.

Page 8

1 Q Okay. Have you received bonuses in the past?
 2 A Yes, I have.
 3 Q Okay. How many years have you received bonuses
 4 during your employment at Guidant?
 5 A Every year.
 6 Q Every year. Do those bonuses get paid to every
 7 employee?
 8 A Yes, they do.
 9 Q They do.
 10 A To the best of my knowledge it's been every year.
 11 There were some lean years, I know, but I believe
 12 it has been.
 13 Q All right. We're going to refer to Exhibit Number
 14 2 and we're going to go to Schedule B again, and
 15 I'm going to look at line number 20 on here. And
 16 you'll see here, other contingent and unliquidated
 17 claims of every nature. Why didn't you indicate
 18 the bonus here?
 19 A I don't know. I indicated it earlier, I guess.
 20 Q Can you point in your schedules to where you
 21 indicated that you were going to receive a bonus
 22 in 2004?
 23 A I'm not that familiar with this document, if my
 24 attorney can help, I told him right out.
 25 Q Are you saying that you advised your attorney that

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1 you were going to receive the bonus?
 2 A That's true.
 3 Q Okay. When did you first learn that you were
 4 going to receive a bonus for your work in 2003?
 5 A It's common knowledge throughout the year.
 6 Q Okay. Was there a quarterly meeting where they
 7 announced that, yes, we made our goals, there will
 8 be a bonus, we just don't know how much yet?
 9 A Yes.
 10 Q About what month did that take place in?
 11 A It's tracked every month on the bulletin boards.
 12 Q Oh, okay.
 13 A There's a scale.
 14 Q Okay.
 15 A For planned and then actual.
 16 Q Okay. So was there a quarterly meeting in
 17 December?
 18 A I don't recall.
 19 Q Was there a quarterly meeting near the end of the
 20 year 2003?
 21 A I don't believe so.
 22 Q Was there --
 23 A Excuse me. The annual meetings are typically in
 24 February.
 25 Q Okay. And was it at that annual meeting that you

Page 10

1 learned of the percentage and amount of the bonus?
 2 A Yes, it was.
 3 Q And do you recall the date of that meeting?
 4 A I do not.
 5 Q Would I be correct if I said it was somewhere
 6 around February 4th, 2004?
 7 A That sounds a little early.
 8 Q Okay. Would you say it was before February 11th,
 9 2004?
 10 A Yes.
 11 Q I'm going to show you what is marked as Deposition
 12 Exhibit Number 4, and just in case you're not
 13 familiar with what it is, I went to the Guidant
 14 website today and printed off the Employee
 15 Ownership portion of Careers at Guidant, and can
 16 you just read me, under Annual Bonus, can you read
 17 me what the last sentence says there?
 18 A "The bonus is generally paid to all
 19 employee-owners as a fixed percentage of salary."
 20 Q Okay. And do you consider yourself an
 21 employee-owner?
 22 A I am.
 23 Q Okay. And so do you own shares of stock in
 24 Guidant Corporation?
 25 A All my retirement and ESOP and 401 and everything

Page 11

1 is in Guidant stock.
 2 Q Okay. So you do have an employee stock ownership
 3 plan?
 4 A Yes.
 5 Q I'm going to --
 6 A Under my 401.
 7 Q That's considered part of your 401K?
 8 A Yes.
 9 Q So do you have a separate 401K, a separate ESOP or
 10 employee stock ownership program, and a separate
 11 pension plan?
 12 A I think so. I believe so, yes.
 13 Q When I look at your schedules, Schedule A, and I'm
 14 referring to Exhibit Number 2, you've disclosed
 15 your 401K and your pension plan, but you didn't
 16 disclose your employee stock ownership plan. What
 17 was the reason for that?
 18 A Well, that's what I was talking about in my 401
 19 pension. I do not participate in the employee
 20 stock purchase plan.
 21 Q You do not?
 22 A No.
 23 Q And yet you received a bonus; correct?
 24 A That's correct.
 25 Q I just want to go through this real quick and make

Page 12

1 sure. Is this address still correct, 1064 109th
 2 Avenue?
 3 A Yes, it is.
 4 Q And is that the property that you've indicated as
 5 your homestead?
 6 A Yes, it is.
 7 Q And you answered this question without me asking
 8 it so I'm just going to ask it again. Have you
 9 done any improvements to the property since you
 10 purchased it?
 11 A I've insulated the garage, but not the actual
 12 house itself, no.
 13 Q So you've made no additions, no remodeling?
 14 A No.
 15 Q Have you made any improvements to the landscaping
 16 of the house?
 17 A No. The property is a townhome.
 18 Q Have you refinanced it since you purchased the
 19 home?
 20 A No.
 21 Q So the mortgage that is indicated in your
 22 schedules, is that the only mortgage that's still
 23 outstanding on the property?
 24 A That's correct.
 25 Q Okay. And that's the mortgage that you indicated

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1 had a balance of approximately --
 2 A Approximately --
 3 Q 147,000. Just an approximate number. Have you
 4 taken any more loans, home equity loans, or
 5 anything like that in which you have pledged the
 6 property as collateral?
 7 A No.
 8 Q Have you executed any other mortgages since the
 9 date of filing?
 10 A No.
 11 Q Do you remember the date that you received your
 12 bonus check?
 13 A I believe it came in the mail on the 11th.
 14 Q Okay. So you received it in the mail?
 15 A Yes.
 16 Q Did you deposit it immediately?
 17 A Yes, I did.
 18 Q And did you deposit it into the account that
 19 you've indicated in your schedules, a checking
 20 account at First Future Credit Union?
 21 A No, I had opened another account at Bremer Bank.
 22 Q At Bremer Bank?
 23 A Yeah.
 24 Q And what city is Bremer Bank in?
 25 A That branch is in Arden Hills.

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1 Q And is Bremer spelled B-R-E-M-E-R?
 2 A Two Ms, maybe.
 3 Q Okay.
 4 A No, one M, B-R-E-M-E-R.
 5 Q Okay. And that account was not in existence at
 6 the time you filed your bankruptcy schedules?
 7 A No, it was not.
 8 Q Is there a publication at your employment called
 9 The Weekly Exchange?
 10 A Yes.
 11 Q How often does that come out?
 12 A Weekly.
 13 Q Okay. That's what I thought, I just wanted to
 14 make sure. Is there discussion of the bonus in
 15 that publication generally?
 16 A I don't believe so.
 17 Q Do you generally have quarterly meetings where the
 18 company tells you about the performance to date?
 19 A Yes.
 20 Q And you indicated earlier that one had not taken
 21 place at the end of 2003; is that correct?
 22 A I don't recall.
 23 Q And when you indicated that there was something
 24 posted that showed goals and whether the company
 25 had met them, is that the bulletin board?

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1 A Correct.
 2 Q I'm going to go back to Exhibit Number 2. Have
 3 you, in the year prior to filing, so your
 4 schedules were filed on 2-11 of 2004, in the year
 5 prior to filing did you transfer any real estate?
 6 Did you own any other real estate besides your
 7 homestead?
 8 A No.
 9 Q Okay. Have you, in the last three years, owned
 10 any other real estate other than your homestead?
 11 A Yes.
 12 Q Was that another homestead?
 13 A Correct.
 14 Q Can you tell me the address of that?
 15 A 2160 165th Lane Northeast, Ham Lake. And that
 16 homestead went to my ex-wife in a quit claim
 17 through our divorce.
 18 Q Okay. In the year prior to filing, so from
 19 2-11-2003 to 2-11-2004, did you sell any personal
 20 property, boats, ATVs, anything of that nature?
 21 A No, I did not.
 22 Q Did you give any gifts in the amount of \$100 or
 23 more?
 24 A Would that include Christmas?
 25 Q I would say \$500 or more for Christmas.

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1 A No.
 2 Q Okay. And in your schedules you indicated that
 3 you own no firearms; is that correct?
 4 A That's correct.
 5 Q And here's the mortgage, Washington Mutual, is
 6 that who currently holds your mortgage, or was
 7 that assigned; do you know?
 8 A No, they currently hold it.
 9 Q And in your -- There's a few sections of the
 10 schedules that indicate that. Were there any
 11 debtors -- or any creditors that you realized
 12 after filing that you missed, you forgot to put
 13 in?
 14 A No.
 15 Q Okay. Do you currently have any home business?
 16 A No.
 17 Q Have you been employed at any company other than
 18 Guidant in the last two years?
 19 A No.
 20 MR. SEAVER: I believe that's it. I'd
 21 like a few minutes just to run and check. I
 22 forgot a printout that I wanted to look at, but I
 23 think I covered all my questions. But let's take
 24 a five-minute break, we'll go off the record.
 25 (Break taken.)

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Page 19

1 BY MR. SEAVER:

2 Q Now, you had indicated that you deposited the
3 check on the 12th, the bonus check; is that
4 correct?

5 A Correct.

6 Q Do you remember approximately how much was the
7 check, the amount of that check?

8 A The stub is right there, I believe it was 11
9 something. I had said the 11th earlier, and I
10 probably know what happened there. Is the mail
11 comes in the afternoon, I saw it, opened my
12 checkbook, wrote down the 11th, and then the next
13 day on the 12th when I went to work I deposited
14 it.

15 Q Okay. So you received the check on the 11th of
16 February, 2004, and deposited it on the 12th of
17 February, 2004?

18 A Correct.

19 MR. EVERHART: Is that your distinct
20 recollection, or are you surmising that that's
21 what happened? For instance, you just said that
22 you must have taken it to work the next day and
23 deposited it?

24 THE WITNESS: No, that's my
25 recollection. What I'm saying is what I must have

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1 done is written it down in my checkbook on the
2 11th. You have a copy of that and it says the
3 11th.

4 MR. EVERHART: And just to review, the
5 11th was a Wednesday, the 12th of February was a
6 Thursday. So does that correspond with your
7 distinct recollection? Because it's very
8 important for the record to be testifying as to
9 what you actually recall doing, and if you're
10 speculating, just say that you're speculating.

11 THE WITNESS: No, to the best of my
12 knowledge.

13 BY MR. SEAVER:

14 Q Okay. And do you have a copy of that check?

15 A Yes, I do.

16 MR. EVERHART: We can make another copy,
17 but it was in a letter to the Trustee dated April
18 7th.

19 MR. SEAVER: You had provided a copy?

20 MR. EVERHART: Yes. And it's dated the
21 12th, that's part of why I'm surprised. The
22 deposit slip is for the 12th.

23 MR. SEAVER: I'm referring to a deposit
24 slip, and maybe what we can do is can I run and
25 make a quick copy of it?

1 MR. EVERHART: Sure.

2 MR. SEAVER: We'll go off the record.

3 (Break taken.)

4 (Whereupon, Deposition Exhibit 6 was
5 marked for identification by the
6 court reporter.)

7 BY MR. SEAVER:

8 Q So I'm going to show you Exhibit Number 6. Now,
9 you indicated in your previous testimony that you
10 received this on one day and deposited it the next
11 day, and I just want to double-check that the date
12 on the deposit stub shows 2-12-2004; is that
13 correct?

14 A That's correct.

15 Q Okay. And you did receive it one day and
16 deposited it the next day; correct?

17 A To the best of my knowledge.

18 Q And is it true that you received the check in the
19 mail?

20 A Yes, it is.

21 MR. EVERHART: And just to clarify, you
22 said to the best of your knowledge, so you're
23 testifying that you have a specific recollection
24 that that's what you did, or are you saying that
25 that's logical that that's what you may have

Page 20

1 done?

2 THE WITNESS: That's logical what I may
3 have done. The time of deposit is 3:35, so it
4 looks to me that I deposited it right after work
5 that day.

6 BY MR. SEAVER:

7 Q What hours do you work?

8 A 7:00 to 3:30.

9 Q So you would not have been able to go home and get
10 the check out of the mailbox on the 12th and then
11 get to the bank by 3:35; is that correct?

12 A That's correct.

13 Q Okay.

14 A The check is dated the 12th, though.

15 Q Correct.

16 MR. SEAVER: I believe that's it for my
17 questions. Do you have any follow-up?

18 MR. EVERHART: Just a couple.

19 MR. SEAVER: Okay.

20 MR. EVERHART: I'm sure we covered most
21 of them.

22 EXAMINATION

23 BY MR. EVERHART:

24 Q And just to clarify, when you refer to an employee
25 stock ownership plan, that's part of your 401K; is

Page 21

Page 23

1 that correct?

2 A To the best of my knowledge it is, yes.

3 Q And then with regard to this bonus check, you did

4 not know the amount of it until it was actually

5 received; is that correct?

6 A That's correct.

7 Q It's your understanding that until -- unless

8 you're an employee on the date that the bonus is

9 issued that you don't have a bonus; is that

10 correct?

11 A That's correct, you're not eligible unless you are

12 employed the day of the payout.

13 Q If you quit the day before you would not have

14 gotten it?

15 A That's right.

16 MR. EVERHART: I have no further

17 questions.

18 MR. SEAVER: Neither do I. Do you want

19 to advise your client as to reading or waiving

20 reading and signing?

21 MR. EVERHART: Could you do that? I do

22 so few depositions, I'd screw up the rules.

23 MR. SEAVER: Okay. You have the

24 opportunity -- let me rephrase that.

25 The court reporter has taken down word

1 STATE OF MINNESOTA)
2 COUNTY OF HENNEPIN) ss.
3
4 Be it known that I took the examination of Thomas
5 R. Morin on May 28, 2004, at Burnsville, Minnesota;
6 That I was then and there a notary public in and
7 for the County of Hennepin, State of Minnesota, and
8 that I was duly authorized to administer an oath;
9 That the witness before testifying was first duly
10 sworn to testify the truth and nothing but the truth;
11 That the testimony was recorded by myself and
12 transcribed into a computer-aided transcript and that
13 the deposition is a true record of the testimony given
14 by the witness to the best of my ability;
15 That I am not related to any of the parties hereto
16 nor interested in the outcome of the action;
17 That the cost of the original transcript has been
18 charged to the party noticing the deposition, unless
19 otherwise agreed by Counsel, and that copies have been
20 made available to all parties at the same cost, unless
21 otherwise agreed upon by Counsel;
22 That the reading and signing of the deposition by
23 the witness was waived, and that the original
24 transcript will be retained by Mr. Seaver.
25 WITNESS MY HAND AND SEAL THIS 31st day of May,
2004.

JANET SHADDIX ELLING
Registered Professional Reporter

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1 for word everything we've said. You have the

2 opportunity to travel to the court reporter's

3 office and read through the deposition transcript,

4 or examination transcript, and check it for

5 errors. You can't change your answers, but if

6 you've made a mistake as to a dollar amount or

7 your address, something of that nature, you can

8 fix it and then sign it. Otherwise, you can do

9 what's called waiving reading and signing where

10 you assume that she's taken everything down

11 accurately and you can waive it.

12 THE WITNESS: Well, she stated she's

13 been in the business for 20 years, I'm going to

14 trust her ability to do this.

15 MR. SEAVER: Okay. So the witness has

16 waived reading and signing?

17 THE WITNESS: Correct.

18 MR. SEAVER: Thank you. We can go off

19 the record.

20 (Deposition concluded at 10:30 a.m.)

21

22

23

24

25

<p>-S-</p> <p>\$100 [1] 15:22 \$155,000 [1] 6:14 \$500 [1] 15:25 \$89,000 [1] 7:21 \$89,713 [1] 7:22</p> <p>-1-</p> <p>1 [3] 3:6 4:1 5:3 1-8-2004 [1] 5:22 101 [1] 2:3 1064 [1] 12:1 109th [1] 12:1 10:00 [1] 1:13 10:30 [1] 22:20 11 [1] 17:8 11th [9] 5:23 10:8 13:13 17:9,12,15 18:2,3,5 12 [2] 7:10,12 12400 [2] 1:11 2:7 12th [8] 17:3,13,16 18:5 18:21,22 20:10,14 132 [2] 1:11 2:8 147,000 [1] 13:3 165th [1] 15:15 18 [2] 7:8,9 19 [1] 3:11</p> <p>-2-</p> <p>2 [8] 3:7 5:19,22 6:3 7:19 8:14 11:14 15:2 2-11 [1] 15:4 2-11-2003 [1] 15:19 2-11-2004 [1] 15:19 2-12-2004 [1] 19:12 20 [3] 3:4 8:15 22:13 2003 [4] 7:21 9:4,20 14:21 2004 [10] 1:12 5:23 8:22 10:6,9 15:4 17:16,17 23:4 23:18 2160 [1] 15:15 28 [2] 1:12 23:4</p> <p>-3-</p> <p>3 [2] 3:8 5:24 31st [1] 23:18 3:30 [1] 20:8 3:35 [2] 20:3,11</p> <p>-4-</p> <p>4 [8] 3:4,6,7,8,9,10 10:12 401 [3] 10:25 11:6,18 401K [4] 11:7,9,15 20:25 4th [1] 10:6</p>	<p>-5-</p> <p>5 [2] 3:10 4:2 55112 [1] 2:4 55337 [1] 2:9</p> <p>-6-</p> <p>6 [3] 3:11 19:4,8</p> <p>-7-</p> <p>708 [1] 2:3 7:00 [1] 20:8 7th [1] 18:18</p> <p>-A-</p> <p>a.m. [2] 1:13 22:20 ability [2] 22:14 23:10 able [1] 20:9 account [4] 13:18,20,21 14:5 accurate [3] 5:12,14,16 accurately [1] 22:11 action [1] 23:12 actual [2] 9:15 12:11 additions [1] 12:13 address [3] 12:1 15:14 22:7 administer [1] 23:6 advise [1] 21:19 advised [1] 8:25 afternoon [1] 17:11 again [2] 8:14 12:8 agreed [2] 23:14,15 amount [5] 10:1 15:22 17:7 21:4 22:6 announced [1] 9:7 annual [4] 7:25 9:23,25 10:16 answered [1] 12:7 answers [1] 22:5 anyway [1] 7:2 APPEARANCES [1] 2:1 appeared [2] 2:4,9 approximate [1] 13:3 April [1] 18:17 Arden [1] 13:25 arrive [1] 6:14 assets [1] 5:11 assigned [1] 16:7 assume [1] 22:10 attorney [5] 2:2,6 5:8 8:24,25 ATVs [1] 15:20 authorized [1] 23:6 available [1] 23:14 Avenue [4] 1:11 2:3,8 12:2</p>	<p>-B-</p> <p>B [3] 2:6 7:9 8:14 B-R-E-M-E-R [2] 14:1 14:4 balance [1] 13:1 bank [5] 3:11 13:21,22 13:24 20:11 bankruptcy [5] 1:1 3:8 5:10,25 14:6 basis [2] 6:7 7:23 behalf [2] 2:5,9 behind [1] 6:24 best [6] 8:10 18:11 19:17 19:22 21:2 23:10 between [1] 6:1 board [1] 14:25 boards [1] 9:11 boats [1] 15:20 bonus [19] 3:11 7:22,24 7:25 8:18,21 9:1,4,8 10:1 10:16,18 11:23 13:12 14:14 17:3 21:3,8,9 bonuses [3] 8:1,3,6 branch [1] 13:25 break [3] 16:24,25 19:3 Bremer [5] 3:11 13:21 13:22,24 14:1 Brighton [1] 2:4 bulletin [2] 9:11 14:25 Burnsville [3] 1:11 2:8 23:4 business [2] 16:15 22:13</p> <p>-C-</p> <p>Careers [2] 3:9 10:15 case [1] 10:12 change [1] 22:5 charged [1] 23:13 check [13] 13:12 16:21 17:3,3,7,7,15 18:14 19:18 20:10,14 21:3 22:4 checkbook [2] 17:12 18:1 checking [1] 13:19 Christmas [2] 15:24,25 city [1] 13:24 claim [1] 15:16 claims [1] 8:17 clarify [2] 19:21 20:24 Cleveland [1] 2:3 client [1] 21:19 collateral [1] 13:6 commencing [1] 1:12 common [1] 9:5 company [4] 7:13 14:18 14:24 16:17 comparable [1] 7:1 computer-aided [1] 23:9</p>	<p>concluded [1] 22:20 consider [1] 10:20 considered [1] 11:7 contingent [1] 8:16 copies [1] 23:14 copy [5] 18:2,14,16,19,25 Corporation [2] 7:5 10:24 correct [28] 6:8,18 7:5 10:5 11:23,24 12:1,24 14:21 15:1,13 16:3,4 17:4 17:5,18 19:13,14,16 20:11 20:12,15 21:1,5,6,10,11 22:17 correspond [1] 18:6 cost [2] 23:13,14 Counsel [2] 23:14,15 County [2] 23:2,6 couple [2] 4:16 20:18 court [7] 1:1 3:8 4:3,16 19:6 21:25 22:2 covered [2] 16:23 20:20 Credit [1] 13:20 creditors [1] 16:11</p> <p>-D-</p> <p>D [1] 3:1 date [9] 5:19,20 7:20 10:3 13:9,11 14:18 19:11 21:8 dated [4] 5:22 18:17,20 20:14 deal [1] 6:6 Debtor [2] 1:5 2:5 debtors [1] 16:11 debts [1] 5:11 December [1] 9:17 deposit [6] 13:16,18 18:22,23 19:12 20:3 deposited [7] 17:2,13,16 17:23 19:10,16 20:4 deposition [11] 3:5 4:1 4:13 5:3 10:11 19:4 22:3 22:20 23:10,13,16 depositions [1] 21:22 development [1] 6:24 disclose [1] 11:16 disclosed [1] 11:14 discussion [1] 14:14 distinct [2] 17:19 18:7 DISTRICT [1] 1:1 divorce [1] 15:17 document [5] 3:8 5:4,6 5:9 8:23 dollar [1] 22:6 done [4] 12:9 18:1 20:1,3 double-check [1] 19:11 down [6] 4:17,18 17:12 18:1 21:25 22:10 duly [4] 2:20 4:5 23:6,7 during [1] 8:4</p>	<p>-E-</p> <p>E [1] 3:1 early [1] 10:7 eligible [1] 21:11 Elling [2] 1:9 23:22 employed [3] 7:4 16:17 21:12 employee [8] 8:7 10:14 11:2,10,16,19 20:24 21:8 employee-owner [1] 10:21 employee-owners [1] 10:19 employment [2] 8:4 14:8 end [2] 9:19 14:21 entered [2] 2:20 7:11 entry [1] 7:18 equity [1] 13:4 errors [1] 22:5 ESOP [2] 10:25 11:9 estate [3] 15:5,6,10 Everhart [13] 2:2 3:4 17:19 18:4,16,20 19:1,21 20:18,20,23 21:16,21 ex-wife [1] 15:16 examination [7] 1:8 3:4 3:4 4:7 20:22 22:4 23:4 examined [1] 4:6 Exchange [1] 14:9 Excuse [1] 9:23 executed [1] 13:8 Exhibit [12] 5:3,19,21,24 6:3 7:19 8:13 10:12 11:14 15:2 19:4,8 Exhibits [2] 3:5 4:1 existence [1] 14:5</p> <p>-F-</p> <p>familiar [2] 8:23 10:13 February [8] 5:23 6:11 9:24 10:6,8 17:16,17 18:5 few [3] 16:9,21 21:22 filed [4] 5:8,23 14:6 15:4 filing [5] 13:9 15:3,5,18 16:12 filled [3] 5:7,20 7:15 firearms [1] 16:3 first [6] 4:5 5:8 6:5 9:3 13:20 23:7 five-minute [1] 16:24 fix [1] 22:8 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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

Bky No. 04-40653

ADV No.

In re:

Thomas R. Morin,

Debtor.

Randall L. Seaver, Trustee,

Plaintiff,

COMPLAINT

vs.

Thomas R. Morin

Defendant.

Randall L. Seaver, Trustee ("Trustee") of the Bankruptcy Estate of Thomas R. Morin as
and for his Complaint against Thomas R. Morin, ("Debtor-Defendant") states and alleges as
follows:

1. Trustee is the duly appointed Chapter 7 Trustee of the bankruptcy estate of the Debtor.
2. This bankruptcy case was commenced on February 11, 2004, by the filing of a voluntary Chapter 7 petition.
3. This adversary proceeding is a core proceeding within the meaning of 28 U.S.C. §157(b)(2).
4. This court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. §§157 and 1334. This case arises under 11 U.S.C. §§ 541.
5. That, prior to filing his Chapter 7 Petition, Debtor-Defendant became aware that he would be receiving a bonus, calculated as a percentage of his 2003 salary ("Bonus.")
6. The Debtor-Defendant purportedly received the Bonus on the day his voluntary bankruptcy petition was filed and deposited it the next day.

7. That the Debtor-Defendant failed to disclose the Bonus in his bankruptcy schedules and while under oath at his Meeting of Creditors.
8. The Debtor-Defendant has not amended his schedules to reflect the Bonus.
9. That the net amount of the Bonus was \$11,221.29.
10. That, pursuant to 11 U.S.C. §§ 541, the Bonus is property of the Bankruptcy Estate.
11. The amount of the Bonus exceeds the limit imposed by Local Bankruptcy Rule 6072-1 for turn-over motions.

WHEREFORE, Plaintiff respectfully requests that this Court make its Order:

1. Determining that the Bonus is Property the Bankruptcy Estate of the Debtor-Defendant, Thomas R. Morin.
2. Ordering the Debtor-Defendant, Thomas R. Morin, to turnover to the Trustee the amount of \$11,221.29, the amount of the Bonus.
3. Entering judgment against Debtor-Defendant in the amount of \$11,221.29.
4. Awarding the Plaintiff his costs and disbursements in this action and any other or further relief as the court deems just and equitable.

FULLER, SEAYER & RAMETTE, P.A.

Dated: June 28, 2004

By: ___/e/ Roger B. Seaver_____
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Attorneys for Plaintiff

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT

FAMILY COURT DIVISION

In Re the Marriage of:

THOMAS ROBERT MORIN,
Petitioner,

and

JOANN MARION MORIN,
Respondent.

FINDINGS OF FACT
CONCLUSIONS OF LAW,
ORDER FOR JUDGMENT
AND JUDGMENT AND DECREE

File No. F7-02-632

The above-entitled proceeding came on for an administrative final hearing before the Honorable John B. Van de North, Judge of District Court, at the Ramsey County Courthouse, St. Paul, Minnesota 55102, on theday of, 2002, this being a proceeding for Dissolution of Marriage.

There was no appearance by or on behalf of the Petitioner and Respondent, the matter having been considered pursuant to Minn. Stat. Sec. 518.13, subd. 5, and the Marital Termination Agreement of the parties herein, dated October 31, 2002, which agreement is made a part hereof.

Upon all the files, records and proceedings herein, the Court now makes the following Findings of Fact, Conclusions of Law, Order for Judgment and Judgment and Decree.

FINDINGS OF FACT

1. Petitioner's true and correct name is THOMAS ROBERT MORIN, who is 46 years of age, having been born on September 29, 1956. Petitioner resides at 4800 Centerville Road, Apt. #322, White Bear Lake, MN 55127 and is represented by George C. Riggs, GEORGE C. RIGGS & ASSOCIATES, P.A., 888 Highway 10 N.E., Blaine, Minnesota 55434.
2. Respondent's true and correct name is JOANN MARION MORIN, who is 44 years of age, having been born on March 19, 1958. Respondent resides at 2160 165th Lane N.E., Ham Lake, MN 55304, and Respondent is represented by Jo Lynn Isaacson, Wellner & Isaacson, PLLP, Glen Oaks Center, 2E South Pine Drive, Circle Pines, MN 55014.

EXHIBIT H

3. The parties were married on December 2, 1983 at San Diego, California, and ever since said time, have been, and still are, husband and wife.
4. That Petitioner resides within the County of Ramsey and has resided within the State of Minnesota for a period of more than one hundred and eighty (180) days immediately preceding the commencement of this action.
5. Neither party hereto is in the military service of the United States Government so, accordingly, the Soldier's and Sailor's Relief Act of 1940, as amended, is not applicable to these proceedings.
6. There is not an Order for Protection that governs the parties or a party and the minor children of the parties in effect.
7. As issue of said marriage, the parties have two minor children, namely, JESSICA MORIN born on April 28, 1985, age 17 and TIMOTHY MORIN, born August 28, 1988, age 14.
8. Both parties are fit and proper parents. The best interests of the minor children would be served by granting the parties joint legal custody, with primary physical custody of Timothy and Jessica to be granted to the Respondent, subject to Petitioners right to reasonable and liberal parenting time with the children.
9. On information and belief, Respondent is not now pregnant.
10. To the best of Petitioner's knowledge, no separate proceeding for dissolution of marriage, legal separation or divorce have been commenced by Petitioner or by Respondent in this or any other jurisdiction.
11. This is a proceeding for Dissolution of Marriage. There has been an irretrievable breakdown of the marriage relationship of the parties within the meaning of Minnesota Statutes, Section 518.06. The parties were separated on March 1, 2001.
12. Petitioner is employed at Guidant Corporation as an Engineer and earns approximately 3,897.00 net income per month. Petitioner's monthly expenses are \$3,984.00.

Respondent is employed for the City of Brooklyn Park as a Program Assistant and earns approximately \$2,219.08 net income per month. Respondent's monthly expenses are \$3,481.00.

13. That both parties are able-bodied and capable of supporting themselves under their present financial circumstances and neither is dependent upon the other for financial support.

14. The parties are the owners of the homestead property located at 2160 165th Lane N.E., Ham Lake, MN 55304 and legally described as:

Lot 1, Block 3, Rolling Meadows 2nd Addition.

15. The parties are the owners of the following motor vehicles, a 1995 GMC van, which is in the possession of the Petitioner, and a 2001 Hyundai, which is in the possession of the Respondent.

16. That the parties are the owners of the normal items of household goods and household furnishings.

17. That both parties have pension plans or similar retirement benefits through their employment.

18. That the parties are the owners of various bank accounts, savings certificates, life insurance policies, stocks and/or bonds, both marital and non-marital.

19. That the parties have incurred miscellaneous bills, obligations and debts during the course of their marriage.

20. That the parties have the following debts:

<u>Creditor</u>	<u>Balance</u>	<u>Obligor</u>
Chase Manhattan	\$15,000	Petitioner

21. Petitioner, through his place of employment or otherwise, provides health and hospitalization insurance protection for himself and the minor children. Respondent has her own health insurance.

22. That neither party is the recipient of any benefits from any County Welfare Department.

23. That Respondent requests that pursuant to Minnesota Statutes Section 518.27 her name be changed to JOANN MARION MILLETTE. Respondent makes this request without any desire of intent to defraud the claim of or to mislead any creditor or other person. The Respondent is not involved as a party in any other action or proceeding, has no outstanding unsatisfied judgments against her, has not been convicted of any felony under the name set forth in the caption hereof, and will inform the Department of

Transportation of any name change granted hereunder within thirty (30) days of entry of any Judgment and Decree herein.

CONCLUSIONS OF LAW

1. Dissolution. That the bonds of matrimony previously existing between the parties are hereby dissolved.
2. Custody. That the parties are hereby granted joint legal custody of the minor children of the parties, namely: JESSICA MORIN born on April 28, 1985, age 17 and TIMOTHY MORIN, born August 28, 1988, age 14.

The primary physical custody of the parties' minor children is hereby granted to Respondent.

NOTICE IS HEREBY GIVEN TO THE PARTIES:

Each party has the right of access to, and to receive copies of school, medical, dental, religious training and other important records and information about the minor children. Presentation of a copy of this Order to the custodian of a record or other information about the minor children constitutes sufficient authorization for the release of the record or information to the requesting party.

Each party shall keep the other party informed as to the name and address of the school of attendance of the minor children. Each party has the right to be informed by school officials about the children's welfare, educational progress and status, and to attend school and parent-teacher conferences. The school is not required to hold a separate conference for each party.

In case of accident or serious illness of a minor child, each party shall notify the other party of the accident or illness, and the names of the health care provider and the place of treatment.

Each party has the right to reasonable access and telephone contact with the minor children.

3. That, in the event the parties are unable to cooperate and resolve major decisions with their children's lives, they shall resolve such disputes by seeking the services of a mutually agreeable neutral third party. The parties agree to equally share in any incurred costs.

4. Visitation. That Petitioner is hereby granted liberal and reasonable visitation rights with the minor children.
5. Child Support. That Petitioner shall pay to Respondent child support in the amount of \$1,169.10 per month plus 30% of Petitioner's net annual bonus, in accordance with the Child Support Guidelines outlined in Minnesota Statutes Annotated, Section 518.551, Subdivision 5, as amended. Petitioner shall provide Respondent with proof of the amount of said bonus by March 15th of any given year and the obligation shall be paid within seven (7) days of the Respondent's receipt of the bonus check. Said amount shall be withheld from the income of the Petitioner, regardless of source, by that person's employer or payor of funds, and remitted to the Minnesota Child Support Payment Center, P.O. Box 64326, St. Paul, Minnesota 55164-0326, within the time limits provided in Minn. Stat. Sec. 518.613. Petitioner's net-monthly income is \$3,897.00. Respondent's net monthly income is \$2,219.08. Payments shall be made on the fifteenth day of each month commencing on November 1, 2002. Child Support shall terminate upon the occurrence of any of the following:
 - a. The children reach the age of eighteen (18) years; or, if said minor children are still attending secondary school, until the children graduate from secondary school or reaches the age of twenty (20) years, whichever occurs first;
 - b. The minor children marry, are emancipated or otherwise becomes self-supporting;
 - a. A minor child dies; or
 - b. The Court orders termination of the support payments.
6. That both parties are hereby notified that:
 - a. Payment of support or maintenance, or both, is to be ordered herein, and the giving of gifts or making purchases of food, clothing and the like will not fulfill the obligation.
 - b. Payment of support must be made as it becomes due, and failure to secure, or denial of rights of, visitation is not an excuse for non-payment, but the aggrieved party must seek relief through proper motion filed with the Court.
 - c. The payment of support or maintenance, or both, takes priority over payment of debts and other obligations.

- d. Child support and maintenance are based on annual income, and it is the responsibility of a person with seasonal employment to budget income so that payments are made regularly throughout the year as ordered.

7. THAT THE ATTACHED APPENDIX IS INCORPORATED AND MADE A PART OF THIS AGREEMENT OR ORDER. The Appendix contains provisions regarding Income Withholding, M.S. 518.611 and 518.645; Cost of Living Adjustments, M.S. 518.641; Docketing of Judgments, M.S. 548.091; Insurance Required by M.S. 518.551, subdivision 8; Parental Rights, M.S. 609.26; and Notice of Family Court Rule 7.01.

8. Health Insurance. That Petitioner shall maintain the existing program of medical, dental and hospitalization insurance affording coverage on the minor children of parties so long as said children are eligible for child support. In the event Petitioner should change his employment, he shall make immediate application to procure such medical, dental and hospitalization insurance as is afforded to him by his new employer on a group basis.

In the event group medical and group dental insurance is not available to Petitioner through an employer, Petitioner shall procure a private policy of medical and hospitalization insurance affording basic comparable coverage to the existing program of insurance.

The parties shall be equally obligated for medical, dental, optical, orthodontia and counseling bills in excess of those which are covered by medical and dental insurance.

If either party refuses to pay or reimburse the other party for his or her share of medical, dental, optical, orthodontia and counseling expenses paid or incurred on behalf of the minor children, and such amount remains unpaid for thirty (30) days after written notice to the non-paying party, the other party may obtain a judgment for medical support arrearage upon service of an Affidavit of Default upon the non-paying party and filing the same with the District Court Administrator. A copy of the Affidavit shall be provided to the Child Support Officer. Such arrearages shall be collected as child support arrearage to Minn. Stat. Sec. 518.611, subd. 2 (1994).

9. Life Insurance. That both parties shall maintain the existing program of life insurance coverage on the life of themselves, with minor children of the parties named as beneficiary, or for a trust established for the benefit of the minor children, so long as said children are eligible for child support. Each party shall provide the other with a copy of the policy, upon their request.
10. Tax Exemption. That each party shall take the one minor children of the parties as exemptions for state and federal tax purposes. When only one child is left, the parties shall alternate even and odd years with Respondent getting the first year. Mr. Morin's entitlement to the exemption is contingent upon his being current in his support obligation at the end of any given calendar year..
11. Spousal Maintenance. That the issue of spousal maintenance between the parties is hereby reserved.
12. Personal Property. That all items of personal property of the parties, including household goods, furniture, furnishings, equipment, linens, kitchen utensils and other items of household personal property, are hereby awarded between the parties as they are presently divided.
13. Motor Vehicles. That Petitioner is hereby awarded title and exclusive ownership of the 1995 GMC Vandura, and shall become solely obligated for all payments due or which may become due for the use, operation, maintenance and financing thereof, and Petitioner shall hold Respondent harmless thereon. Respondent is hereby awarded title and exclusive ownership of the 2001 Hyundai, and shall become solely obligated for all payments due or which may become due for the use, operation, maintenance and financing thereof, and Respondent shall hold Petitioner harmless thereon. The parties shall execute title transfer documents, if necessary, accordingly.

Upon either parties' failure to so convey all right, title, and interest in said motor vehicles, thereupon the Judgment and Decree in this matter shall be, constitute and operate as such conveyance, and the Minnesota Department of Public Safety and Minnesota Department of Motor Vehicles shall be authorized and directed to transfer and record the title to said motor vehicles into the name of the other.

14. Intangibles. That each party is hereby awarded such cash, checking accounts, savings accounts and other securities as are presently held in his or her own name without any claim thereto on the part of the other.
15. Real Estate. That the parties are joint owners of real estate located at 2160 165th Lane N.E., Ham Lake, MN 55304, and legally described as follows:
Lot 1, Block 3, Rolling Meadows 2nd Addition.
All right, title and interest is hereby awarded to Respondent.
16. Within ten (10) days of the entry of the Judgment and Decree of Dissolution in this matter, Petitioner shall, by appropriate Quit Claim Deed, convey to Respondent all of his right, title and interest in and to the aforesaid real estate. Upon Petitioner's failure to so convey all right, title and interest in and to said real estate, thereupon the Judgment and Decree in this matter shall be, constitute and operate as such conveyance, and the County Recorder shall be authorized and directed to transfer and record the same for a public record of such conveyance. Respondent shall assume all taxes, utilities, insurance and mortgage obligations on such property and hold Petitioner harmless thereon.
17. The parties shall equally divide the sum of the proceeds of the Ozark National Life Insurance Policy (surrendered on May 22, 2002 in the amount of \$572.19) and the Pioneer Investment Mutual Fund, which is estimated to be a total of approximately \$1,500.00. In the event the Petitioner has not already paid to Respondent one-half (\$286.09) of the Ozark National Life Insurance Policy proceeds at the time the Pioneer Investment Mutual Fund proceeds are received, he shall pay her said sum from his share of the Mutual Fund proceeds.
18. Debts. That, with the exception of the mortgage on the parties' homestead, the parties have no outstanding joint debts. Each party is hereby responsible for and shall satisfy his or her own individual debts and obligations, and neither party shall seek or secure any further credit in the name of the other.
19. Pension Plan. That each party is hereby awarded all right or entitlement to any deferred compensation, pension, profit-sharing or other like benefits currently held in their own name, free and clear of any claim on the part of the other. The

parties have acknowledged that they have satisfied themselves as to the value of the other's pension..

20. Military Service. That neither party was at the time of the commencement of this proceeding, and is not now, in the military service of the United States, and accordingly, the Soldiers' and Sailors' Relief Act of 1940 as amended does not apply to these proceedings.
21. Attorney's Fees. That each party is hereby responsible for his or her respective attorney's fees.
22. Service of Judgment and Decree. That Respondent consents and agrees that service by U.S. Mail of a copy of the Judgment and Decree upon her counsel by counsel for Petitioner shall constitute due and proper service of the Judgment and Decree upon Respondent and proof thereof for all purposes.
23. Automatic Stay. That the parties agree that the thirty (30) day stay of entry of Judgment is hereby waived.
24. Withdrawal of Counsel. That George C. Riggs and Jo Lynn Isaacson are hereby withdrawn as attorneys-of-record for Petitioner and Respondent, respectively, sixty-one (61) days after the entry of the Judgment and Decree herein.
25. Legal Name Change. The Respondent's former name, JOANN MARION MILLETTE, is hereby restored to her. A certified copy of the Judgment and Decree in this matter shall operate as and constitute a legal change of name.

ORDER FOR JUDGMENT

LET JUDGMENT BE ENTERED ACCORDINGLY.

BY THE COURT:

Dated: _____

The Honorable John B. Van de North
Judge of District Court

CERTIFICATION

I hereby certify that the above Conclusions of Law
Constitute the Judgment and Decree of the Court.

Dated: _____

By: _____

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Thomas R. Morin

Bky Case No. 04-40653 NCD

Adv Case No. 04-4184 NCD

Randall L. Seaver, Trustee
Plaintiff

vs.

ANSWER

Thomas R. Morin
Defendant

Defendant through his attorney undersigned answers
Plaintiff's complaint as follows:

1. Defendant admits the allegations contained in paragraphs 1-4 of the Complaint.
2. As to paragraph 5 of the Complaint, Defendant admits that he was aware of his company's bonus program, but at the time he provided the information for his bankruptcy schedules did not know the amount of the bonus, the date he would receive his bonus or if he would receive a bonus at all in 2004.
3. As to paragraph 6 of the Complaint, Defendant admits that he received his bonus check in the mail after 3:00 p.m. on February 11, 2004 and deposited the check in his bank account the next day. He was not aware that his bankruptcy was filed on February 11, 2004 at the time he received his check.

4. As to paragraphs 7 and 8 of the Complaint, Defendant was not aware of the amount of his bonus or for certain that he would receive one at the time he provided the information to draft his bankruptcy schedules. In response to the trustee's questions at the meeting of creditors, Defendant did not realize that the bonus was an asset because it was part of his compensation from his employer. The Defendant will be filing amended schedules to exempt his interest in the bonus.
5. As to paragraphs 9, 10 and 11 of the complaint, the net amount of the bonus was \$11,221.29, however; pursuant to his divorce decree, he was obligated to pay \$3,366.38 to his former spouse. Therefore, the amount available to Defendant was \$7,854.91. After allowing for applicable exemptions, the amount to be turned over to Plaintiff is \$1,199.91.

WHEREFORE Defendant asks the court to issue an order determining that Defendant shall pay Plaintiff the value of the non-exempt asset in the amount of \$1,199.91

Dated: 08/10/2004

Respectfully submitted,

/e/ Robert J. Everhart
Robert J. Everhart #180671
Attorney at Law
P.O. Box 120534
New Brighton, MN 55112
651-636-9212

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

BKY No. 04-40653

In re:

Thomas R. Morin,

UNSWORN CERTIFICATE OF SERVICE

Debtor.

I, Kari L. Fogarty, declare under penalty of perjury that on August 26, 2004 I mailed a copy of the following documents:

1. Notice of Hearing and Motion Objecting to Claimed Exemption;
2. Memorandum in Support of Objection to Claimed Exemption;
3. Affidavit of Randall L. Seaver; and
4. Order (proposed)

by first class mail, postage prepaid to each entity named below at the address stated below for each entity:

Thomas R. Morin
1064 109th Avenue NE
Blaine, MN 55304

Robert J. Everhart
Attorney at Law
P.O. Box 120534
New Brighton, MN 55112

Office of the United States Trustee
1015 U.S. Courthouse
300 South Fourth Street
Minneapolis, MN 55415

FULLER, SEAVER & RAMETTE, P.A.

Dated: August 26, 2004

By: /e/ Kari L. Fogarty
Kari L. Fogarty
Legal Secretary
12400 Portland Avenue South, Suite 132
Burnsville, MN 55337
(952) 890-0888

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

Bky No. 04-40653

In re:

Thomas R. Morin,

ORDER

Debtor.

At Minneapolis, Minnesota this _____ day of _____, 2004.

The above matter came before the court on the motion of the Chapter 7 Trustee for an award of sanctions against the Debtor and his attorney and on the Trustee's objection to claimed exemptions of the Debtor. Appearances were as noted upon the record.

Based upon all the files, records and proceedings herein,

IT IS HEREBY ORDERED as follows:

1. The Debtor's claimed exemption of "Bonus from employer \$11,221.00 less \$3,366.00 due to ex-spouse pursuant to divorce decree" is denied.

BY THE COURT:

Nancy C. Dreher
U.S. Bankruptcy Judge